

Washoe County Marijuana Establishment License Common Questions

1. What is a marijuana establishment?

The Nevada State Constitution authorizes patients, on the advice and with written authorization of their physicians, to obtain and use marijuana for medical purposes. Additionally, Nevada State Law was changed by voter initiative in 2016 to provide for the licensing, taxation and regulation of adult use (recreational) marijuana. County Code provides for four types of marijuana establishments (ME):

- Marijuana cultivation facility. This ME type acquires, cultivates, delivers, supplies or sells marijuana and related supplies to other marijuana establishments. A marijuana cultivation facility may be licensed as a medical marijuana cultivation facility and/or as a marijuana cultivation facility. These facilities are not open to the public.
- Marijuana distributor. A marijuana distributor transports both medical and recreational (adult use) marijuana, marijuana products and/or marijuana paraphernalia to marijuana establishments located within the unincorporated County. A retail marijuana store/medical dispensary is not required to obtain a marijuana distributor license to transport or deliver marijuana or marijuana products directly to consumers.
- Marijuana product manufacturing facility. This ME type acquires, manufactures, delivers, supplies or sells edible marijuana products or marijuana-infused products to retail marijuana stores/medical dispensaries. A marijuana product manufacturing facility may be licensed as a facility for the production of edible marijuana products or marijuana-infused products and/or as a marijuana product manufacturing facility. These facilities are not open to the public.
- Marijuana testing facility. This ME type tests marijuana, edible marijuana products and marijuana-infused products that are to be sold in Nevada. A marijuana testing facility may be licensed as a medical marijuana independent testing laboratory and/or as a marijuana testing facility. These facilities are not open to the public.
- Retail marijuana store/medical dispensary. This ME type delivers or sells marijuana or related supplies and educational materials to patients or care givers with a valid Nevada medical marijuana identification card and/or to adults over the age of 21. A retail marijuana store/medical dispensary is a licensed medical marijuana dispensary that may also be licensed as a retail marijuana store. In order to operate as a retail marijuana store/medical dispensary, the business must retain State licensure as a medical marijuana dispensary to continue business operations in the unincorporated County.

2. Do I need a business license to operate a marijuana establishment in unincorporated Washoe County?

Yes. However, you must obtain a State of Nevada registration certificate (medical marijuana) or State of Nevada marijuana license (recreational marijuana) from the Nevada Department of Taxation before you can apply for a Washoe County marijuana establishment license.

3. Does Washoe County issue separate marijuana establishment licenses for medical and recreational marijuana establishments?

No. Washoe County operates under a single marijuana establishment license process. This means that a marijuana establishment may be a medical and/or a recreational marijuana establishment. However, a retail marijuana store/medical dispensary is restricted in that the establishment must possess a valid Nevada medical marijuana dispensary certificate to operate as a retail marijuana store (sell recreational marijuana and products).

4. I plan to operate a marijuana cultivation facility and a marijuana product manufacturing facility at the same address in unincorporated Washoe County. Do I need a separate Washoe County marijuana establishment license for each establishment?

Yes. Each proposed marijuana establishment requires a separate Washoe County marijuana establishment license application, and separate review and approvals.

5. I must provide a local jurisdiction's zoning verification for my proposed marijuana establishment location as part of the Nevada application process. How do I obtain that verification?

Washoe County will provide a *Zoning Information Letter for a Potential Marijuana Establishment* to satisfy this requirement for properties located in the unincorporated County and outside of an exerted sphere of influence (see more information below). You should contact:

• Washoe County Planning Program, Community Services Department. The office is located at 1001 East Ninth Street, Building A, Second Floor in Reno. The telephone number is 775.328.6100; ask to speak with the Planner of the Day.

Exerted Sphere of Influence properties. Certain areas of unincorporated Washoe County are within the exerted sphere of influence for either the City of Reno or the City of Sparks. These sphere areas are required by the Truckee Meadows Regional Plan and governed by an interlocal agreement. Developments within an exerted sphere of influence must obtain any planning approvals from the appropriate City. This means that any zoning verification of your proposed marijuana establishment location must be obtained from the appropriate City if your proposed location is within an exerted sphere of influence. Washoe County planning staff will assist you to determine if your proposed location is within such a sphere area.

 For areas within the City of Reno's exerted sphere of influence, contact the City of Reno Building, Planning and Engineering Division, Community Development Department. Their offices are located at 1 East First Street, Second Floor in Reno.

- Their telephone number is 775.321.8309. The City of Reno may charge a fee for the zoning verification letter.
- For areas within the *City of Sparks'* exerted sphere of influence, contact the City of Sparks Planning/Zoning Division, Community Services Department. Their offices are located at 431 Prater Way in Sparks. Their telephone number is 775.353.2340. The City of Sparks may charge a fee for the zoning verification letter.
- 6. I have my State of Nevada registration certificate (medical marijuana) and/or State of Nevada marijuana license (recreational marijuana). How do I obtain a Washoe County marijuana establishment license?

You must apply for a Washoe County marijuana establishment license. This is a revocable privileged business license issued specifically for marijuana establishments. Each type of marijuana establishment requires a separate Washoe County marijuana establishment license (see question 1). The license is valid for one quarter and must be renewed quarterly (see question 13). The marijuana establishment license application packet is found on-line at

https://www.washoecounty.us/csd/planning and development/business license/business license files/ME%20business%20license%20application,%202018.pdf. The packet contains all of the information required for your license application.

The marijuana establishment license application fee is \$77.75, which must accompany your application. Your first quarterly marijuana establishment license fee will be collected on the first day of the calendar quarter <u>after</u> your license is issued.

If a criminal history inquiry is required of the property owner, the license cannot be issued until results from the inquiry are received and evaluated by Washoe County business license staff.

Your marijuana establishment license application will be reviewed by several agencies. The agency may charge separate review or permitting fees, and it is your responsibility to pay any such fees. These agencies include:

- Truckee Meadows Fire Protection District or North Lake Tahoe Fire Protection District.
- Washoe County Community Services Department:
 - Planning and Building Division;
 - Planning Program
 - Building Program.
- Washoe County Health District:
 - Air Quality Management Division.
- Washoe County Sheriff's Office.
- Any appropriate water and/or sanitary sewer service provider.
- City of Reno staff if the proposed location is within Reno's exerted sphere of influence.
- City of Sparks staff if the proposed location is within Sparks' exerted sphere of influence.

Conditions will be established on your marijuana establishment license by Washoe County license staff and may also be established by any of these reviewing agencies. You must

pay all applicable agency license/permit and/or inspection fees prior to issuance of your marijuana establishment license.

Washoe County license staff will issue your marijuana establishment license after receiving recommendations of approval with any appropriate conditions from all reviewing agencies, and after receiving positive results from any required criminal history inquiry.

You must provide a copy of your issued Washoe County marijuana establishment license to the Nevada Department of Taxation.

7. Can Washoe County deny my marijuana establishment application?

Yes, Washoe County business license staff may deny your Washoe County marijuana establishment license application or your establishment's license renewal. The factors which cause an application or license renewal denial are outlined in Washoe County Code Section 25.752. The denial may be appealed to the Washoe County Board of County Commissioners.

8. Are there any requirements for agents, employees or volunteers working at a marijuana establishment?

Yes. Washoe County Code requires that any agent (to include contractors), employee or volunteer working at a marijuana establishment obtain and maintain a Washoe County Sheriff's Office registration card. To apply for a registration card, the agent, employee or volunteer must provide:

- A copy of their valid State of Nevada marijuana establishment agent registration card.
- A completed personal history on a form provided by the Sheriff's Office.
- The proper fees as required by the Sheriff's Office.

The registration card will note the agent, employee or volunteer's role at the marijuana establishment. Agents, employees and volunteers must display the valid registration card on their person while working at the establishment.

9. Are there Washoe County regulations governing the operation of a marijuana establishment business?

Yes. Washoe County regulations governing the operation of a marijuana establishment business include:

- Any other business activities at a marijuana establishment require a separate Washoe County business license.
- Public use or consumption of marijuana and/or marijuana products is prohibited at any marijuana establishment.
- Delivery of marijuana and/or marijuana products directly to a consumer by a retail marijuana store/ medical dispensary must adhere to the provisions of NRS Chapter 453D and NAC Chapter 453D.
- Marijuana establishment licensees are required to notify Washoe County business license staff of any action by the Nevada Department of Taxation regarding the State's

- medical marijuana certificate and/or marijuana establishment license for the business. Licensees must also notify Business License if the business is closed or ceases operations.
- The required quarterly marijuana establishment license fee is 3% of an establishment's reported quarterly gross revenue.
 - The license fee is due at the start of each calendar quarter (January 1, April 1, July 1 and October 1) and must be paid in full no later than 15 calendar days after the start of the calendar quarter.
 - Marijuana establishment licensees shall report quarterly gross revenue and include that information, together with the calculation for the required 3% fee (plus any penalty charges or reinstatement fees), with the license payment.
 - The quarterly license fee may be paid all, or in part, in advance of the payment due date.
- Marijuana establishment licensees shall submit an annual report to Washoe County business license staff no later than December 31 of each year. The report must contain, at a minimum, the following:
 - A copy of the most recent Nevada Department of Taxation medical marijuana certificate and/or marijuana establishment license issued for the establishment; and,
 - A copy of the most recent Nevada Department of Taxation inspection for the establishment.
- Any agent, employee, and/or volunteer working at a marijuana establishment must obtain and maintain a Washoe County Sheriff's Office registration card. This registration card must be displayed on the person at all times when working at the marijuana establishment.
 - The registration card is obtained at the Washoe County Sheriff's Office. Applicants
 must provide a copy of a valid Nevada Department of Taxation marijuana
 establishment agent registration card, complete a personal history form provided
 by the Sheriff's Office, have a photograph taken, and pay the proper fees as
 required by the Sheriff's Office.
 - The registration card is in addition to the State marijuana establishment agent registration card.
- Issuance of a Washoe County marijuana establishment license constitutes permission for Washoe County business license staff, Sheriff, Fire Marshal, and/or District Health Officer (or their designees) to inspect the licensed establishment. Inspections may be with or without notice, and include required annual inspections for business license, safety, health or sanitation. The business owner is responsible to pay any required inspection fees.
- Requirements of the business and the building:
 - The current Nevada Department of Taxation medical marijuana certificate and/or marijuana establishment license, the current Washoe County marijuana establishment license, and any other State or County permits or licenses required to operate the establishment must be prominently displayed.

- Graffiti appearing on the building must be removed or covered within 48 hours (upon discovery or notification by the Washoe County's Sheriff's Office).
- Public access to a retail marijuana store/medical dispensary is from 8:00 a.m. to midnight, and hours are initially set forth in the approved Washoe County marijuana establishment license application. Changes to the hours of operation must be approved in advance by Washoe County business license staff.
- No marijuana or associated products or paraphernalia shall be visible from outside of the building.
- Disposal of marijuana, marijuana-infused products, by-products and other waste material shall be in a safe, sanitary and secure manner. The disposal location and manner shall be approved by the Nevada Department of Taxation and the Washoe County Sheriff's Office. Disposed material must be rendered unusable, be protected from possession or ingestion (by persons and animals), and not placed within the ME's exterior refuse containers.

The Nevada Department of Taxation regulates the operations of marijuana establishments. You must also comply with State regulations.

10. I operate a licensed medical marijuana dispensary and/or retail marijuana store in the City of Reno (or Sparks). I want to deliver medical and/or recreational marijuana to authorized patients and/or customers living in unincorporated Washoe County. Do I need a separate Washoe County business license?

Yes. However, you only need a Washoe County general business license, and not a Washoe County marijuana establishment license.

As long as you have a valid State of Nevada marijuana establishment certificates/licenses and valid City licenses and/or permits, you must obtain a Washoe County general business license to deliver marijuana and/or marijuana products within unincorporated Washoe County to a:

- Licensed marijuana establishment (except for a retail marijuana store, see Question 11);
- Patient with a valid State medical marijuana registry identification card;
- Designated primary caregiver with a valid State medical marijuana registry identification card; or,
- Adult over the age of 21.
- 11. I operate a licensed marijuana cultivation facility (or a licensed marijuana product manufacturing facility) in unincorporated Washoe County. I want to deliver marijuana and/or marijuana products to other licensed marijuana establishments in unincorporated Washoe County (or in the Cities of Reno or Sparks). Do I need a Washoe County marijuana establishment license?

If you are delivering marijuana and/or marijuana products to a licensed:

- Marijuana cultivation facility;
- Marijuana product manufacturing facility;

- Marijuana testing facility; and/or,
- Medical marijuana dispensary,

You do not need a separate Washoe County marijuana establishment license. However, you must obtain a Washoe County general business license.

State Law requires a Nevada marijuana distributor's license if you are delivering marijuana and/or marijuana products to a licensed retail marijuana store. County Code mirrors State Law, so you must, therefore, obtain a Washoe County marijuana establishment license for a marijuana distributor to deliver marijuana or marijuana products to a licensed retail marijuana store located within unincorporated Washoe County.

12. Do I have to allow County officials to inspect my license medical marijuana establishment?

Yes. County Code states that issuance of a Washoe County marijuana establishment license constitutes permission for certain County officials to inspect your licensed establishment. These County officials include:

- Washoe County license staff;
- The Washoe County Sheriff;
- The Truckee Meadows Fire Protection District Fire Marshall;
- The North Lake Tahoe Fire Protection District Fire Marshall;
- The Washoe County District Health Officer; and/or
- The designated staff of these agencies and officials.

These inspections may be with or without notice, and include required annual inspections for business license, safety, health, and sanitation.

13. Are there license fees associated with a Washoe County marijuana establishment license?

Yes. All licensed marijuana establishments must pay a quarterly marijuana establishment license fee. All marijuana establishment licenses are issued for one calendar quarter of a year, and must be renewed within 15 calendar days after the start of the calendar quarter. The calendar quarter periods for each year are as follows:

- The first quarter begins on January 1st of each year. The quarterly license fee must be paid on or before January 15th of each year.
- The second quarter begins on April 1st of each year. The quarterly license fee must be paid on or before April 15th of each year.
- The third quarter begins on July 1st of each year. The quarterly license fee must be paid on or before July 15th of each year.
- The fourth quarter begins on October 1st of each year. The quarterly license fee must be paid on or before October 15th of each year.

The quarterly license fee is 3% of a marijuana establishment's reported gross revenue for the preceding quarter. Gross revenue is defined in WCC Section 25.013.

- You must submit your quarterly gross revenue report to the license division no later than 15 calendar days after the start of each calendar quarter. You are responsible to calculate your quarterly license fee, report that fee on the license renewal form and pay the required fee.
- You must pay your quarterly license fee in full no later than 15 calendar days after the start of each quarter. You may also pay the required license fees in full, or in parts, in advance of the quarterly calendar due date.
- Your marijuana establishment license may be automatically renewed when you have paid your required quarterly license fees in full and provided any other information as required by WCC Section 25.748 (to include information required as part of your required annual report).

14. Are there penalties if I do not renew my marijuana establishment license in a timely fashion?

Yes. Penalties start accruing 16 calendar days after the start of each quarter if the required fees are either not paid or not paid in full. Penalties must be paid in full <u>in addition to</u> the required marijuana establishment license fee.

• A penalty of 25% of the required license fee will be charge for payments received after 15 calendar days and prior to 60 calendar days.

If you do not pay your required license fee and the 25% penalty within 60 calendar days, your marijuana establishment license will be automatically revoked.

- Your license can be reinstated if you pay a reinstatement fee of 15% of the required license fee. This reinstatement fee is in addition to the 25% penalty fee and the required license fee.
- The reinstatement fee, penalty fee, and required license fee must be paid in full within 90 calendar days.
- After 90 calendar days, your marijuana establishment license is permanently revoked and you must apply for a new marijuana establishment license.

Your marijuana establishment license will not be renewed if any license fees, penalty fees, and/or reinstatement fees have not been paid in full

15. What happens to my Washoe County marijuana establishment license if my Nevada medical marijuana certificate and/or marijuana establishment license is not renewed or revoked?

Your Washoe County marijuana establishment license is immediately revoked when Washoe County is notified that your Nevada medical marijuana certificate and/or marijuana establishment license is revoked, has not been renewed, or is no longer valid. There is no appeal to the Washoe County Board of County Commissioners for this immediate license revocation. The revocation is, however, subject to judicial review.

16. Can my Washoe County marijuana establishment license be revoked?

Yes, your Washoe County marijuana establishment license may be revoked for various events. These events are outlined in Washoe County Code Section 25.776 and include the following as examples (please read the Code section for the complete list):

- Selling, serving, giving away, or dispensing marijuana to a person under the age of 21.
- Selling, serving, giving away, or dispensing medical marijuana to a person without a valid State medical marijuana registry identification card (or a person who is not a patient's designated primary caregiver).
- Employing or using an agent, employee or volunteer who does not possess a valid State of Nevada marijuana establishment agent registration card and a valid Washoe County Sheriff's Office registration card.
- Not allowing Washoe County inspectors to conduct required inspections or to investigate complaints, and/or failing to issue visitor identification cards to Washoe County inspectors.

Revocation action requires a public hearing before the Washoe County Board of County Commissioners following a process outlined in the Washoe County business license ordinance.

Washoe County will notify the Nevada Department of Taxation if your Washoe County marijuana establishment license is revoked.

17. I want to relocate my licensed marijuana establishment to a different property within unincorporated Washoe County. Does Washoe County need to approve such a relocation?

Yes. First, you must obtain permission from the Nevada Department of Taxation to relocate your marijuana establishment. The new location must meet all location requirements found in Washoe County Code Chapter 25 (Business License) and Chapter 110 (Development Code – regulatory zoning). Washoe County will charge an application fee of \$500 for a relocation. The relocation application and the application review process are available from Washoe County business license staff.

I did not see my question, now what?

Please contact the Business License offices, Monday through Friday, 8:00 a.m. through 5:00 p.m. Pacific Time at 775.328.3733, or by e-mail at businesslicense@washoecounty.us. We will be happy to help you.